ST ANNE'S COMMUNITY SERVICES

POLICY

4.52 Property Disposals Policy

Policy Category	**Housing & Estates / Governance** Applies to disposal of St Annes Community Services property assets (owned or leased) only.
Policy/Procedure Cross Ref	Financial Regulations; Procurement Policy (for appointing agents/valuers/contractors); Gifts & Hospitality Policy; Anti-Fraud & Bribery Policy; Health & Safety arrangements; Records Management.
Summary of Policy Changes	**V1.0 May 2026** - New policy template completed / first issue.
Policy Owner	Director of Housing & Estates
Approval	ELT – F&B Committee - Board
Published Date	August 2026
Expiry Date	August 2029

1.0 Policy Summary

This policy sets out how St Annes Community Services identifies, approves and completes the disposal of property assets (land, buildings and associated property interests) that are owned or leased, ensuring disposals are lawful, transparent, safe and achieve best value.

St Anne's will consider the disposal of assets when reviewing option appraisals to maximise the use and value of our assets, both now and in the future.

This means we may make disposal decisions which will not add initial value to our business or community but will result in longer term benefits. For example, disposal of properties that are costly to repair or no longer fit the needs of the organisation will not result in any immediate benefit but if later we build or acquire six affordable homes on the site there could be a net gain for future residents and our business.

The disposal of any assets should, where possible, enable increased investment in our business, in particular, to increase investment in existing and new homes.

We need to ensure that our homes are of a good quality and suitable for our residents' needs and that St Anne's remains financially viable.

Properties may be considered for disposal where they will facilitate the development of more suitable homes. These disposals will be considered in the context of the growth strategy and the development appraisal process.

2.0 Scope

This policy applies to all staff, trustees and volunteers involved in disposing of St Annes Community Services property assets, including sale, transfer, lease assignment, surrender, subletting (where permitted), and write-off of irrecoverable property interests. It applies to both owned and leased property assets, including situations where a third-party partner holds the head lease and St Annes Community Services occupies under a sub-lease or licence, and/or where a third party has a legal charge/security interest over the property. In these cases, any required consents must be obtained before completion.

3.0 Main Policy Content

Property disposals must be authorised in advance, appropriately valued, recorded, and completed using a method that is transparent, manages risk and delivers best value. Special controls apply to any disposal of land and buildings and to any transaction involving leasehold interests or landlord/third-party consents.

3.1 Definitions

- **Property asset:** Land, buildings and associated property interests used or held by St Annes Community Services, whether freehold or leasehold, including any rights, easements, wayleaves, licences, and (where relevant) fixtures and fittings that form part of the property.

- **Disposal (property):** Any action that ends or transfers St Annes Community Services' interest in a property asset, including sale, transfer, granting or surrendering a lease, assignment, subletting, or exiting occupation.
- **Property Lead:** The manager responsible for the property asset's day-to-day management (e.g., Head of Housing, Head of Operations or Head of Property Services) and liaison with landlords/agents.
- **Best value:** The optimum combination of financial return/whole-life cost, service impact, quality, sustainability and risk for the organisation, supported by appropriate valuation/market evidence.
- **Third-party partner / secured party:** An organisation or individual with an interest in the property asset, such as a head landlord or head leaseholder, a funder, lender or investor holding a legal charge, mortgage, debenture, restriction or other security over the property, or a partner organisation with contractual approval rights.

3.2 Principles

- All disposals must be planned, authorised and documented.
- Disposals must comply with applicable law, funder/donor conditions, lease terms and charity governance requirements. There are specific requirements around disposals in Charities Act 2011 (as amended by Charities Act 2022) which must be followed; also consider Charity Commission guidance CC28. In some instances approval is required from the Charity Commission in advance of a disposal.
- Conflicts of interest must be declared and managed; staff and trustees must not obtain improper personal benefit.
- Disposals must seek best value and be demonstrably fair and transparent and be in the best interests of St. Anne's.
- Health, safety and environmental duties must be met (e.g., asbestos management, fire safety, safe access, contractor management and any required surveys/certificates).
- For leased property assets, St Annes Community Services must comply with lease obligations and obtain any required landlord/third-party consents (e.g., assignment, subletting, alterations, dilapidations and reinstatement requirements) before disposal or exit.
- Where a third-party partner is head landlord/head leaseholder, or where a third party holds a charge/security interest, St Annes Community Services must comply with the relevant agreements and obtain all required consents/releases (including any deed of consent, licence to assign/sublet, deed of variation, release of charge or restriction) before exchange/completion.
- Prior to any disposal, the Corporate Governance Team should be contacted to discuss any potential charges which may be registered against the land/property.

3.3 Roles and responsibilities

- **Trustees / Executive Leadership Team (ELT):** Provide oversight and approve disposals that are material, novel, high-risk, involve land/buildings, or could affect service delivery or reputation. Refer to paragraph 3.4 for authorisation levels.
- **Head of Finance:** Ensures compliance with financial regulations, approves disposal method for higher-value items, maintains disposal records and

ensures proceeds are receipted and coded correctly in accordance with FRS102 and the Housing SORP.

- **Head of Housing/Head of Operations:** Advises on condition, compliance and safe removal of assets and coordinates disposals of premises-related items.
- **Head of Property Services:** Initiates the disposal request, contacts Corporate Governance Team regarding potential charges, confirms property details/condition, identifies restrictions (lease/funder), coordinates valuations/agents/contractors and ensures the site is managed safely through to completion.

3.4 Authorisation levels

Authorisation must be obtained **before** any asset is disposed of. The organisation has set financial thresholds; as a guide and these are listed in 6.0 Financial Authorisation policy:

Property asset / value (estimated market value or professional valuation)	Minimum approval
Minor fixtures/fittings disposal connected to property exit (e.g., < £10k)	Head of Property Services + Head of Finance notification
Higher-value property-related agreements (e.g., ≥ £10k)	Head of Property Services or Head of Finance + ELT (as required)
Leasehold transactions (assignment, surrender, sublet),where a charge exists against the property and any transaction requiring landlord consent.	ELT + F&B Committee (as per scheme of delegation) with legal advice as appropriate
Freehold land and buildings (sale/transfer/long lease granting) where any resultant receipt is due to St Anne’s.	Board (with professional valuation and legal advice)

3.5 Disposal methods (property assets)

- **Freehold sale/transfer (whether or not a charge against the property exists):** Normally by open market sale, tender or other competitive process, such as auction, supported by professional valuation/marketing advice. Any transfer at less than best value must be justified and approved in line with charity governance requirements.
- **Lease assignment (disposal of a leasehold interest):** Where permitted by the lease, St Annes Community Services may assign the lease to a suitable assignee, subject to landlord consent and any conditions (e.g., references, authorised guarantee agreements).
- **Lease surrender / negotiated exit:** Where assignment is not viable, St Annes Community Services may negotiate a surrender with the landlord. Any premium, settlement of dilapidations, and surrender terms must be approved and supported by appropriate professional advice.
- **Subletting / licence to occupy:** Where permitted, St Annes Community Services may sublet all or part of a property or grant a licence to occupy to manage costs and support service delivery. Terms must be documented and approved, and landlord consent obtained where required.

3.6 Disposal process (minimum requirements)

1. **Identify need:** Director of Housing & Estates confirms the property is surplus to requirements (or that the lease should be exited/varied) and checks title/lease terms, any head lease/sub-lease arrangements, any security documents or restrictions (e.g., legal charge), funder/donor conditions and any service delivery impacts. Grant funding status and grant conditions must also be considered, with Homes England or Commissioners notified where relevant
2. **Assess value and risk:** Obtain appropriate evidence (e.g., professional valuation/market appraisal) and identify risks (legal, reputational, health & safety, asbestos, dilapidations, business rates, accessibility, safeguarding and operational continuity).
3. **Select disposal route:** Choose the appropriate route (freehold sale/transfer, lease assignment, surrender, sublet/licence, disposal of fixtures and fittings) and the marketing/procurement approach, applying the principles in section 3.2 and the authorisation levels in section 3.4.
4. **Approve:** Secure written approval. Obtain trustee approval and confirm professional advice has been taken. Record the decision, approvals, and rationale (including any decision to accept less than best value).
5. **Prepare for disposal/exit:** Arrange required surveys and compliance actions (e.g., asbestos, EPC where applicable, safety checks), agree dilapidations/reinstatement strategy for leased property, and obtain all required consents from landlords/head leaseholders and any third-party partners or secured parties (e.g., consent under a charge/security document, release of restriction). Instruct legal advisers to draft/review the necessary documents.
6. **Complete transaction:**
   Complete sale/transfer/assignment/surrender/sublease in accordance with legal documentation. Ensure any monies received/paid (deposit, premium, costs) are processed through Finance with appropriate segregation of duties.
7. **Record and reconcile:**
   Update the property register/lease schedule and disposal log, file signed legal documents and consents, and ensure proceeds/costs are banked, coded and reconciled by Finance.

3.7 Records, audit and monitoring

- A disposal log must be maintained (centrally by Housing & Estates) and retained in line with records management requirements.
- Disposal notification to be made to Corporate Governance re charges (TR1 must be sent to Corporate Governance) and Head of Finance (re Asset & Liability register updates)
- Minimum information: property name/address, title/lease reference, tenure (freehold/leasehold/sub-lease/licence), reason for disposal, valuation/market evidence, method, approvals, counterparty details, key dates, proceeds/costs, and copies/references to signed legal documents, including any landlord/head leaseholder consents and any secured party consents/releases (e.g., release of charge/restriction).
- Disposal activity may be sampled as part of internal checks/audit and reported to ELT/Trustees as required.
- Disposal of social housing assets must be notified to the Regulator for Social Housing by the Head of Finance.

4.0 Effects
The organisation can demonstrate robust stewardship of property assets, make best use of its estate, reduce unnecessary property costs and liabilities (e.g., voids, dilapidations), comply with lease and legal obligations, and ensure any proceeds are properly controlled and reinvested into services.

5.0 Appendix
Appendix A – Property Disposal Request & Approval Form (template);
Appendix B – Property Disposal Log (minimum fields);
Appendix C – Property Disposal Checklist (owned and leased).

Appendix A – Property Disposal Request & Approval Form (template)

Property details	Property name/address: Site/location code (if applicable): Tenure: Freehold / Leasehold Title/lease reference: Service use / occupants:
Reason for disposal / exit	Surplus / Service Closure / Cost/condition / Lease end / Other:
Restrictions and consents	Funder/donor/grant conditions checked? Yes/No Tenure structure checked (freehold/leasehold/sub-lease/licence)? Yes/No Head landlord/head leaseholder consent required? Yes/No (type: assignment/sublet/surrender/other) Security/charge/restriction in place (e.g., lender/funder)? Yes/No Secured party consent/release required? Yes/No (details): Conflict of interest declared? Yes/No (details if yes):
Valuation / market evidence	Valuation/market appraisal obtained? Yes/No Provider and date: Indicative value/premium/rent £:
Proposed route	Freehold sale / Transfer / Lease assignment / Surrender / Sublet / Licence / Other
Key risks and costs	Dilapidations estimate/strategy: Surveys required (asbestos/EPC/other): H&S/contractor risks: Expected costs (fees, works, taxes):
Approvals	Prepared by (Head of Property Services)________________ Date: _______ Approvals completed as per policy Head of Finance______________________ Date: _______ ELT approval : ___________________ Date: _______ Trustee/Committee Approval: _____ Date: _______

Appendix B – Property Disposal Log (minimum fields)

Date	Property name/address	Tenure	Route	Value / costs (£)	Approver	Counterparty	Finance reference	Document refs/notes (valuation, head lease/landlord consent, secured party consent/release, legal completion)

Appendix C – Property Disposal Checklist (owned and leased)

- Confirm tenure (freehold/leasehold/sub-lease/licence) and retrieve key documents (title/lease/head lease, plans, licences, deeds of variation, schedules of condition, and any security/charge documentation or restrictions).
- Confirm restrictions (funder/donor, charging, covenants, charity commission) and required approvals under the scheme of delegation.
- Obtain valuation/market appraisal and agree the disposal route and marketing/selection method.
- For leased property: confirm lease/head lease obligations and consents needed (assignment/sublet/surrender) and obtain the necessary consents from the landlord/head leaseholder/partner organisation. Where a legal charge/security interest exists, obtain any required secured party consent and/or release of restriction/charge.
- Agree the exit condition and dilapidations/reinstatement approach; commission surveys/inspections where required (e.g., asbestos, condition, fire safety).
- Instruct legal advisers, complete documentation (contract/transfer/lease/assignment/surrender), file signed documents and update property records and Finance entries.
- Send TR1 form to Corporate Governance Team for charges to be satisfied
- Notify disposal of social housing assets to the Regulator for Social Housing.